

## SENATE BILL NO. 23

INTRODUCED BY GILLAN

BY REQUEST OF THE LEGISLATIVE COUNCIL

A BILL FOR AN ACT ENTITLED: "AN ACT EXPANDING THE TYPE OF PROPOSED MAJOR INFORMATION TECHNOLOGY PROJECTS TO BE INCLUDED IN A STATEWIDE INFORMATION TECHNOLOGY PROJECT BUDGET SUMMARY; REVISING THE REQUIRED CONTENT OF THE SUMMARY; AND AMENDING SECTIONS 2-17-526 AND 17-7-111, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 2-17-526, MCA, is amended to read:

**"2-17-526. Information technology project budget summary.** (1) (A) The office of budget and program planning, in cooperation with the department, shall prepare a statewide summary of:

(i) proposed major new NEW information technology projects contained in the state budget CONTAINED IN THE STATE BUDGET; AND

(ii) PROPOSED MAJOR INFORMATION TECHNOLOGY PROJECTS IMPACTING ANOTHER STATE AGENCY OR BRANCH OF GOVERNMENT to be funded within the current operating budgets or through new budget requests. Proposed major information technology projects include new initiatives and, INCLUDING replacement of or upgrade to existing systems.

(B) The office of budget and program planning and the department shall jointly determine the criteria for classifying a project as a major new information technology project.

(2) The information technology project summary must include:

(a) a listing by institution, agency, or branch of all proposed major new information technology budget requests included in the state budget projects DESCRIBED IN SUBSECTION (1). Each information technology budget request proposed project included on the list must include:

(i) a description of what would be accomplished by funding completing the request project;

(ii) a list of the existing information technology resources APPLICATIONS for all branches of government that may be impacted by the project;

(iii) an estimate, prepared in consultation with the impacted agencies, of the costs and resource impacts

1 on existing information technology resources APPLICATIONS:

2 ~~(ii)(iv)~~ the ~~proposed amount~~ estimated cost of the ~~request project~~;

3 ~~(iii)(v)~~ the ~~funding source for the request~~ funding the project, including funds within an existing operating  
4 budget or a new budget request; and

5 ~~(iv)(vi)~~ the ~~proposed~~ estimated cost of operating ~~new~~ information technology systems.

6 (b) a listing of internal service rates proposed for providing information technology services. Each  
7 internal service rate included on the list must include:

8 (i) a description of the services provided; and

9 (ii) a breakdown, aggregated by fund type, of requests included in the state budget to support the rate.

10 (c) any other information as determined by the budget director or the department or as requested by  
11 the governor or the legislature.

12 (2) The information technology project summary must be presented to the legislative fiscal analyst in  
13 accordance with 17-7-111(4)."

14  
15 **Section 2.** Section 17-7-111, MCA, is amended to read:

16 **"17-7-111. Preparation of state budget -- agency program budgets -- form distribution and**  
17 **contents.** (1) (a) To prepare a state budget, the executive branch, the legislature, and the citizens of the state  
18 need information that is consistent and accurate. Necessary information includes detailed disbursements by fund  
19 type for each agency and program for the appropriate time period, recommendations for creating a balanced  
20 budget, and recommended disbursements and estimated receipts by fund type and fund category.

21 (b) Subject to the requirements of this chapter, the budget director and the legislative fiscal analyst shall  
22 by agreement:

23 (i) establish necessary standards, formats, and other matters necessary to share information between  
24 the agencies and to ensure that information is consistent and accurate for the preparation of the state's budget;  
25 and

26 (ii) provide for the collection and provision of budgetary and financial information that is in addition to  
27 or different from the information otherwise required to be provided pursuant to this section.

28 (2) In the preparation of a state budget, the budget director shall, not later than the date specified in  
29 17-7-112(1), distribute to all agencies the proper forms and instructions necessary for the preparation of budget  
30 estimates by the budget director. These forms must be prescribed by the budget director to procure the

1 information required by subsection (3). The forms must be submitted to the budget director by the date provided  
2 in 17-7-112(2)(a) or the agency's budget is subject to preparation based upon estimates as provided in  
3 17-7-112(5). The budget director may refuse to accept forms that do not comply with the provisions of this  
4 section or the instructions given for completing the forms.

5 (3) The agency budget request must set forth a balanced financial plan for the agency completing the  
6 forms for each fiscal year of the ensuing biennium. The plan must consist of:

7 (a) a consolidated agency budget summary of funds subject to appropriation or enterprise funds that  
8 transfer profits to the general fund or to an account subject to appropriation for the current base budget  
9 expenditures, including statutory appropriations, and for each present law adjustment and new proposal request  
10 setting forth the aggregate figures of the full-time equivalent personnel positions (FTE) and the budget, showing  
11 a balance between the total proposed disbursements and the total anticipated receipts, together with the other  
12 means of financing the budget for each fiscal year of the ensuing biennium, contrasted with the corresponding  
13 figures for the last-completed fiscal year and the fiscal year in progress;

14 (b) a schedule of the actual and projected receipts, disbursements, and solvency of each fund for the  
15 current biennium and estimated for the subsequent biennium;

16 (c) a statement of the agency mission and a statement of goals and objectives for each program of the  
17 agency. The goals and objectives must include, in a concise form, sufficient specific information and quantifiable  
18 information to enable the legislature to formulate an appropriations policy regarding the agency and its programs  
19 and to allow a determination, at some future date, on whether the agency has succeeded in attaining its goals  
20 and objectives.

21 (d) actual FTE and disbursements for the completed fiscal year of the current biennium, estimated FTE  
22 and disbursements for the current fiscal year, and the agency's request for the ensuing biennium, by program;

23 (e) actual disbursements for the completed fiscal year of the current biennium, estimated disbursements  
24 for the current fiscal year, and the agency's recommendations for the ensuing biennium, by disbursement  
25 category;

26 (f) for only agencies with more than 20 FTE, a plan to reduce the proposed base budget for the general  
27 appropriations act and the proposed state pay plan to 95% of the current base budget or lower if directed by the  
28 budget director. Each agency plan must include base budget reductions that reflect the required percentage  
29 reduction by fund type for the general fund and state special revenue fund types. Exempt from the calculations  
30 of the 5% target amounts are legislative audit costs, administratively attached entities that hire their own staff

under 2-15-121, and state special revenue accounts that do not transfer their investment earnings or fund balances to the general fund. The plan must include:

(i) a prioritized list of services that would be eliminated or reduced;

(ii) for each service included in the prioritized list, the savings that would result from the elimination or reduction; and

(iii) the consequences or impacts of the proposed elimination or reduction of each service.

(g) a reference for each new information technology proposal stating whether the new proposal is included in the approved agency information technology plan as required in 2-17-523; and

(h) other information the budget director feels is necessary for the preparation of a budget.

(4) The budget director shall prepare and submit to the legislative fiscal analyst in accordance with 17-7-112:

(a) detailed recommendations for the state long-range building program. Each recommendation must be presented by institution, agency, or branch, by funding source, with a description of each proposed project.

~~(b) a statewide project budget summary of recommendations for information technology projects and new initiatives. Each recommendation must be presented by institution, agency, or branch and by funding source, and recommendations for major new information technology projects must contain the information identified as provided in 2-17-526.~~

(c) the proposed pay plan schedule for all executive branch employees at the program level by fund, with the specific cost and funding recommendations for each agency. Submission of a pay plan schedule under this subsection is not an unfair labor practice under 39-31-401.

(d) agency proposals for the use of cultural and aesthetic project grants under Title 22, chapter 2, part 3, the renewable resource grant and loan program under Title 85, chapter 1, part 6, the reclamation and development grants program under Title 90, chapter 2, part 11, and the treasure state endowment program under Title 90, chapter 6, part 7.

(5) The board of regents shall submit, with its budget request for each university unit in accordance with 17-7-112, a report on the university system bonded indebtedness and related finances as provided in this subsection (5). The report must include the following information for each year of the biennium, contrasted with the same information for the last-completed fiscal year and the fiscal year in progress:

(a) a schedule of estimated total bonded indebtedness for each university unit by bond indenture;

(b) a schedule of estimated revenue, expenditures, and fund balances by fiscal year for each

1 outstanding bond indenture, clearly delineating the accounts relating to each indenture and the minimum legal  
2 funding requirements for each bond indenture; and

3 (c) a schedule showing the total funds available from each bond indenture and its associated accounts,  
4 with a list of commitments and planned expenditures from such accounts, itemized by revenue source and  
5 project for each year of the current and ensuing bienniums.

6 (6) The budget director may not obtain copies of individual income tax records protected under  
7 15-30-303. The department of revenue shall make individual income tax data available by removing names,  
8 addresses, occupations, social security numbers, and taxpayer identification numbers. The department of  
9 revenue may not alter the data in any other way. The data is subject to the same restrictions on disclosure as  
10 are individual income tax returns."

11 - END -